

Annual Statement

OF THE FINANCIAL CONDITION

OF THE SOMERVILLE RETIREMENT BOARD

TO THE PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

FOR THE YEAR ENDED 12/31/2016

Instructions to Retirement Systems & Pension Funds
(Henceforth called Systems)

- (1) **Date of Filing:** The statement is required by law to be filed on or before May 1st.
- (2) **The Name of the System** must be typed or stamped at the top of all pages and schedules (and duplicate schedules), and on all inserted schedules and loose sheets.
- (3) This statement must be typewritten or prepared legibly using electronic media.
- (4) **Blank Schedules** will not be accepted. If no entries are to be made, type "NONE" across the schedule in question.
- (5) Each category of investment must be grouped alphabetically on appropriate schedules as listed below. Group totals in each category must be shown (sub-totals should be identified as such). Investments must be listed on a trade date basis (as opposed to the cashbook, which is on a settlement date basis). Purchases made prior to January 1st, but not settled until after December 31st, should be recorded as accounts payable and, as such, should be listed as purchased and owned. Sales made prior to January 1st, but not settled until after December 31st, should be recorded as accounts receivable and, as such, should be listed as sold and no longer owned. *

Schedule 1
Cash

Schedule 2
Short Term Securities (Treasury Bills, Commercial Paper, Repurchase Agreements, CDs, Term Deposits, Money Market Accounts, Cooperative Shares, and Savings and Loan Shares).

Schedule 3 (A, B, and C)
Fixed Income Securities

Schedule 4 (A, B, and C)
Stocks and Options

Schedule 5
Pooled Funds, PRIT Fund, Mutual or Commingled Funds, International Investments, Alternative Investments, and Real Estate Investments

Schedule 6
Recap of Schedules 1 through 5

Schedule 7
Recap of all investment-related management, custodial and consultant fees

Supplementary Schedule

We are now requesting that you provide us with a supplemental schedule for Members' Balances in the Annuity Savings Account. Previously, there was some confusion as to whether this information was required. **It is required.**

- (6) If the Annual Statement and Schedules do not contain the information asked for in the blanks, or are not prepared as requested above, they will NOT be accepted by the Commission.

Note: In accordance with the provisions of section 20(5)(h) and section 23(1)(c) and section 23(2)(e) of Chapter 32 of the General Laws, this statement must be filed in the office of the Public Employee Retirement Administration Commission no later than May 1, 2016. The due date for filing will be strictly enforced.

*It is critical that you determine the status of all pending transactions reported by your custodian on supplemental schedules provided by them. If any adjustments are required, these should be disclosed either in the details of accounts due in receivables, or payments pending in accounts payable. Otherwise, the supplemental schedules need to be notated for pending settlements. It may be necessary to revisit pending transactions from prior periods to properly reconcile these financial results.

Annual Statement for the Year Ended December 31, 2016 of the conditions and Affairs of the Somerville Retirement Board.

Organized Under the Laws of the Commonwealth of Massachusetts to the Public Employee Retirement Administration Commission.

Date of Certificate 12/31/1945

Effective Date 07/01/1946

ADMINISTRATION OFFICE

City Hall Annex, 50 Evergreen Avenue
Street & Number

Somerville, MA 02145
City/Town, State and Zip Code

(617) 625-6600
Telephone Number

We, the undersigned, members of the Somerville Retirement Board certify under penalties of perjury, that that we are the official board members of said retirement system, and that on the thirty-first date of December last, all of the herein-described assets were the absolute property of said retirement system, free and clear from any liens or claims thereon, except as stated, and the following statements, with the schedules and explanations therein contained, annexed, or referred to, are a full and correct exhibit of all of the assets, liabilities, income and disbursements, changes in fund balances, and the conditions and affairs of said retirement system on the said thirty-first date of December last, and for the year ended on that date, according to the best of our information, knowledge, and belief respectively.

Board Of Retirement

Ex-Officio Member

Edward F. Bean (Chairman)
(Name)

(Signature)

Appointed Member

Alex Nosnik
(Name)

Term Expires _____

(Signature)

Elected Member

John M. Memory
(Name)

Term Expires 01/04/2019

(Signature)

Elected Member

Thomas G. Ross (Vice Chairman)
(Name)

Term Expires 01/05/2020

(Signature)

Member Appointed by Other Members

Robert K. Massie
(Name)

Term Expires 04/22/2018

(Signature)

Investment Managers

Congress Asset Management

Two Seaport Lane, Boston, MA 02210-2001

Lazard Freres Asset Management

30 Rockefeller Plaza, New York, NY 10112-6300

Loomis Sayles & Co., LP

One Financial Center, Boston, MA 02111

Investment Consultant

None

N/A

Custodian

Comerica Bank

411 West LaFayette, MC 3462, Detroit, MI 48226

ANNUAL STATEMENT BALANCE TESTS

1. ASSET BALANCE

Assets Previous Year	239,494,134.06
Income Current Year	33,110,992.84
Disbursements Current Year	29,803,838.29
Assets Current Year	242,801,288.61

2. ASSET DIFFERENCE

Assets Current Year	242,801,288.61
Assets Previous Year	239,494,134.06
Difference	3,307,154.55

3. INCOME DIFFERENCE

Income Current Year	33,110,992.84
Disbursements Current Year	29,803,838.29
Difference	3,307,154.55

4. FUND CHANGE DIFFERENCE

Total Fund Change Credits Current Year	43,860,743.28
Total Fund Change Debits Current Year	-40,553,588.73
Difference	3,307,154.55

Note: The difference as a result of tests 2, 3 and 4 should be the same.

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016.

ASSETS & LIABILITIES

	2016	2015	2014
1. 1040 Cash	5,423,120.02	6,991,835.81	4,755,841.41
2. 1100 Short Term Investments	0.00	0.00	0.00
3. 1180 Fixed Income Securities	0.00	0.00	23,852.15
4. 1170 Equities	127,362,526.35	129,980,439.10	129,015,177.67
5. 1101 Pooled Short Term Funds	0.00	0.00	0.00
6. 1172 Pooled Domestic Equity Funds	10,774,696.03	7,147,305.33	8,574,492.61
7. 1173 Pooled International Equity Funds	10,202,185.06	10,647,027.68	11,972,843.35
8. 1174 Pooled Global Equity Funds	1,768,991.78	1,467,853.25	1,838,406.42
9. 1181 Pooled Domestic Fixed Income Funds	65,233,177.40	62,292,042.22	67,794,375.44
10. 1182 Pooled International Fixed Income Funds	0.00	0.00	0.00
11. 1183 Pooled Global Fixed Income Funds	0.00	0.00	0.00
12. 1193 Pooled Alternative Investments	0.00	0.00	0.00
13. 1194 Pooled Real Estate Funds	22,144,292.99	20,889,594.68	18,704,830.43
14. 1195 Pooled Domestic Balanced Funds	0.00	0.00	0.00
15. 1196 Pooled International Balanced Funds	0.00	0.00	0.00
16. 1197 Hedge Funds	0.00	0.00	0.00
17. 1198 PRIT Cash	0.00	0.00	0.00
18. 1199 PRIT Fund	0.00	0.00	0.00
19. 1550 Interest Due and Accrued	2,837.91	2,706.40	2,799.96
20. 1350 Prepaid Expenses	0.00	0.00	0.00
21. 1398 Accounts Receivable (A)	23,003.42	204,018.55	491,319.99
22. 1910 Land	0.00	0.00	0.00
23. 1920 Buildings	0.00	0.00	0.00
24. 1929 Accumulated Depreciation – Buildings	0.00	0.00	0.00
25. 2020 Accounts Payable (A)	(-133,542.35)	(-128,688.96)	(-126,072.41)
TOTAL	242,801,288.61	239,494,134.06	243,047,867.02
FUNDS			
1. 3293 Annuity Savings Fund	71,747,125.42	69,860,950.42	67,181,501.77
2. 3294 Annuity Reserve Fund	21,351,937.77	20,475,528.30	19,912,345.57
3. 3295 Military Service Fund	60,972.91	60,912.00	60,851.15
4. 3296 Pension Fund	845,326.21	1,427,956.42	2,847,544.30
5. 3298 Expense Fund	0.00	0.00	0.00
6. 3297 Pension Reserve Fund	148,795,926.30	147,668,786.92	153,045,624.23
TOTAL ASSETS AT MARKET VALUE	242,801,288.61	239,494,134.06	243,047,867.02

(A) Specific details for Accounts Receivable and Accounts Payable are to be disclosed on Schedule A

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016.

	Balance Dec. 31 Prior year	Receipts	Interfund Transfers	Disbursements	Balance Dec.31 Current Year
Annuity Savings Fund	69,860,950.42	7,648,010.66	-4,147,770.44	-1,614,065.22	71,747,125.42
Annuity Reserve Fund	20,475,528.30	626,145.84	4,147,770.44	-3,897,506.81	21,351,937.77
Pension Fund	1,427,956.42	15,483,404.91	6,601,980.00	-22,668,015.12	845,326.21
Military Service Fund	60,912.00	60.91	0.00	0.00	60,972.91
Expense Fund	0.00	1,624,251.14	0.00	-1,624,251.14	0.00
Pension Reserve Fund	147,668,786.92	7,729,119.38	-6,601,980.00	0.00	148,795,926.30
Total All Funds	239,494,134.06	33,110,992.84	- 0 -	-29,803,838.29	242,801,288.61

List below all transfers:

Xfer from _____	to _____	in the amt of _____	on acct of _____
Xfer from _____	to _____	in the amt of _____	on acct of _____
Xfer from _____	to _____	in the amt of _____	on acct of _____
Xfer from _____	to _____	in the amt of _____	on acct of _____
Xfer from _____	to _____	in the amt of _____	on acct of _____
Xfer from _____	to _____	in the amt of _____	on acct of _____

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016.

RECEIPTS

	2016	2015	2014
1. Annuity Savings Fund:			
(a) 4891 Members' Deductions	6,616,208.85	6,497,762.36	6,147,289.64
(b) 4892 Transfers from Other Systems	840,561.39	444,556.99	346,385.11
(c) 4893 Member Make Up Payments and Redeposits	70,168.13	55,704.68	48,508.03
(d) 4900 Member Payments from Rollovers	33,315.40	46,497.27	38,160.91
(e) Investment Income Credited to Members' Accounts	87,756.89	84,304.27	82,839.43
Subtotal	7,648,010.66	7,128,825.57	6,663,183.12
2. Annuity Reserve Fund:			
(a) 4750 Recovery of Annuity from Reinstatement	0.00	0.00	0.00
(b) Investment Income Credited to Annuity Reserve Fund	626,145.84	607,619.28	576,980.12
Subtotal	626,145.84	607,619.28	576,980.12
3. Pension Fund:			
(a) 4898 3(8)(c) Reimbursements from Other Systems	481,299.61	637,813.67	229,476.17
(b) 4899 Received from Commonwealth for COLA & Survivor Bft	342,671.30	384,419.58	388,781.12
(c) 4894 Pension Fund Appropriation	14,659,434.00	14,199,527.00	13,147,710.00
(d) 4840 Workers Compensation Settlement	0.00	0.00	0.00
(e) 4751 Recovery of Pension from Reinstatement	0.00	0.00	0.00
(f) 4841 Recovery of 91A Overearnings	0.00	8,763.99	16,000.00
Subtotal	15,483,404.91	15,230,524.24	13,781,967.29
4. Military Service Fund:			
(a) 4890 Contributions Received from Municipality	0.00	0.00	0.00
(b) Investment Income Credited	60.91	60.85	60.79
Subtotal	60.91	60.85	60.79
5. Expense Fund:			
(a) 4896 Expense Fund Appropriation	0.00	0.00	0.00
(b) Investment Income Credited to Expense Fund	1,624,251.14	1,579,276.77	1,516,868.60
Subtotal	1,624,251.14	1,579,276.77	1,516,868.60
6. Pension Reserve Fund:			
(a) 4897 Federal Grant Reimbursement	79,960.73	52,035.56	88,529.89
(b) 4895 Pension Reserve Appropriation	0.00	0.00	0.00
(c) 4822 Interest Not Refunded	9,722.98	4,262.71	1,590.13
(d) 4825 Miscellaneous Income	147.25	329.73	407.51
(e) Excess Investment Income	7,639,288.42	-203,370.20	12,287,275.97
Subtotal	7,729,119.38	-146,742.20	12,377,803.50
TOTAL RECEIPTS	33,110,992.84	24,399,564.51	34,916,863.42

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016.

DISBURSEMENTS

	2016	2015	2014
1. Annuity Savings Fund:			
(a) 5757 Refunds to Members	645,068.04	371,354.24	507,009.60
(b) 5756 Transfers to Other Systems	968,997.18	457,341.52	738,328.44
Subtotal	1,614,065.22	828,695.76	1,245,338.04
2. Annuity Reserve Fund:			
(a) 5750 Annuities Paid	3,875,681.02	3,623,526.47	3,389,294.67
(b) 5759 Option B Refunds	21,825.79	41,116.35	0.00
Subtotal	3,897,506.81	3,664,642.82	3,389,294.67
3. Pension Fund:			
(a) 5751 Pensions Paid	18,641,699.93	17,830,077.82	17,324,420.32
Regular Pension Payments	14,319,606.16	13,758,310.10	11,983,314.24
Survivorship Payments	1,414,603.87	1,379,105.37	586,856.83
Ordinary Disability Payments	189,102.00	150,847.14	123,075.89
Accidental Disability Payments	4,352,465.11	4,171,396.48	3,545,583.00
Accidental Death Payments	1,320,922.20	1,251,608.40	1,057,644.74
Section 101 Benefits	145,840.80	135,174.62	27,945.62
(b) 5755 3(8)(c) Reimbursements To Other Systems	925,474.98	1,034,240.01	483,341.72
(c) 5752 COLAs Paid	3,067,564.20	2,978,049.98	2,944,746.74
(d) 5753 Chapter 389 Beneficiary Increase Paid	33,276.01	38,314.31	44,831.49
Subtotal	22,668,015.12	21,880,682.12	20,797,340.27
4. Military Service Fund:			
(a) 4890 Return to Municipality for Members who Withdrew Funds	0.00	0.00	0.00
Subtotal	0.00	0.00	0.00
5. Expense Fund:			
(a) 5118 Board Member Stipend	21,600.00	20,400.00	20,700.00
(b) 5119 Salaries	293,771.98	237,936.93	230,158.03
(c) 5304 Management Fees	1,155,527.91	1,181,860.00	1,136,023.64
(d) 5305 Custodial Fees	34,360.02	34,810.54	33,126.04
(e) 5307 Investment Consultant Fees	0.00	0.00	0.00
(f) 5308 Legal Expenses	23,256.00	0.00	250.00
(g) 5309 Medical Expenses	337.03	63.97	426.09
(h) 5310 Fiduciary Insurance	17,102.00	16,596.00	23,679.00
(i) 5311 Service Contracts	36,912.46	55,010.08	40,606.91
(j) 5312 Rent Expense	0.00	0.00	0.00
(k) 5315 Professional Services	6,177.50	0.00	19,348.60
(l) 5316 Actuarial Services	6,500.00	12,275.00	0.00
(k) 5317 Accounting Services	0.00	0.00	0.00
(n) 5320 Education And Training	3,516.95	2,752.99	1,479.00
(o) 5589 Administrative Expenses	15,613.71	13,548.64	8,915.77
(p) 5599 Furniture and Equipment	4,404.89	586.59	0.00
(q) 5719 Travel	5,170.69	3,436.03	2,155.52
(r) 5829 Depreciation Expense: Building	0.00	0.00	0.00
Subtotal	1,624,251.14	1,579,276.77	1,516,868.60
TOTAL DISBURSEMENTS	29,803,838.29	27,953,297.47	26,948,841.58

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016.

INVESTMENT INCOME

Investment Income received from:	2016	2015	2014
(a) Cash (from Schedule 1)	53,527.74	34,573.11	13,340.83
(b) Short Term Investments (from Schedule 2)	0.00	0.00	0.00
(c) Fixed Income Securities (from Schedules 3A and 3C)	5,862.41	6,007.34	915.93
(d) Equities (from Schedules 4A and 4C)	1,557,075.45	1,627,888.24	1,445,388.39
(e) Pooled Funds (from Schedule 5)	3,372,790.68	4,994,933.33	6,463,480.83
(f) Commission Recapture	0.00	0.00	0.00
4821 TOTAL INVESTMENT INCOME	4,989,256.28	6,663,402.02	7,923,125.98
Plus:			
4884 Realized Gains (Profits)	1,735,016.54	1,390,070.09	277,869.97
4886 Unrealized Gains (Increase in Market Value)	19,848,849.71	9,510,997.91	25,732,404.37
1550 Interest Due & Accrued on Fixed Income Securities at End Of Current Year	2,837.91	2,706.40	2,799.96
Less:			
4823 Paid Accrued Interest on Fixed Income Securities	0.00	0.00	0.00
4885 Realized Losses	6,955,453.45	6,065,298.98	4,863,493.27
4887 Unrealized Losses (Decrease in Market Value)	9,640,297.39	9,431,186.51	14,606,153.02
1550 Interest Due and Accrued on Fixed Income Securities Prior Year	2,706.40	2,799.96	2,529.08
NET INVESTMENT INCOME	9,977,503.20	2,067,890.97	14,464,024.91
Income required:			
Annuity Savings Fund (from Supplementary Schedule)	87,756.89	84,304.27	82,839.43
Annuity Reserve Fund	626,145.84	607,619.28	576,980.12
Expense Fund	1,624,251.14	1,579,276.77	1,516,868.60
Military Service Fund	60.91	60.85	60.79
TOTAL INCOME REQUIRED	2,338,214.78	2,271,261.17	2,176,748.94
Net Investment Income	9,977,503.20	2,067,890.97	14,464,024.91
Less Income Required	2,338,214.78	2,271,261.17	2,176,748.94
EXCESS INCOME TO PENSION RESERVE FUND	7,639,288.42	-203,370.20	12,287,275.97

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016.

MEMBERSHIP FOR CURRENT YEAR

ACTIVE MEMBERS

	Group 1	Group 2 & 4	TOTAL
Active Membership, Dec. 31st, Previous Year	871	290	1,161
Inactive Membership, Dec. 31st, Previous Year	383	11	394
Enrolled During Current Year	171	16	187
Transfers Between Groups	0	0	0
Reinstatements of Disabled Members	0	0	0
SUBTOTAL	171	16	187
Deduct:			
Death	0	0	0
Withdrawals	61	3	64
Retirements	29	13	42
SUBTOTAL	90	16	106
Active Membership, Dec. 31st, Current Year	903	287	1,190
Inactive Membership, Dec. 31st, Current Year	432	14	446

RETIRED MEMBERS, BENEFICIARIES & SURVIVORS

Retired, Beneficiary and Survivor Membership, Dec. 31st, Previous Year	542	316	858
Retirements During the Year			
Superannuation	28	7	35
Ordinary Disability	0	1	1
Accidental Disability	0	5	5
Termination Retirement Allowance	0	0	0
Beneficiary of Deceased Retiree	2	3	5
Survivor Benefits from Active Membership	1	0	1
SUBTOTAL	31	16	47
Deduct:			
Deaths of Retired Members	11	11	22
Termination of Survivor Benefits	1	3	4
Reinstatements of Disabled Pensions	0	0	0
SUBTOTAL	12	14	26
Retired Membership, Dec. 31st, Current Year			
Superannuation	422	163	585
Ordinary Disability	5	3	8
Accidental Disability	30	82	112
Termination	0	0	0
Beneficiaries from Accidental Deaths	5	29	34
Beneficiaries from Section 100	0	3	3
Beneficiaries from Section 101	4	11	15
Beneficiaries under Option C	50	19	69
Option (D) Survivor Allowance	43	7	50
Section 12B Survivor Allowance	2	1	3
Total Retired, Beneficiary and Survivor Membership, Dec. 31st, Current Year	561	318	879
TOTAL MEMBERSHIP			
Active, Inactive, Retired, Beneficiary and Survivor, Dec. 31st, Current Year	1,896	619	2,515

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016.

Schedule A: Detail of Accounts Receivable and Accounts Payable

Accounts Receivable

	Amount	Original Date
4751 Recovery of Pension from Reinstatement	0.00	
4840 Workers Compensation Settlements	0.00	
4841 Recovery of 91A Overearnings	0.00	
4891 Members Deductions	7,336.75	12/31/2016
4892 Transfers From Other Systems	0.00	
4893 Member Make Up Payments and Redeposits	0.00	
4900 Member Payments from Rollovers	0.00	
4898 3(8)(c) Reimbursements from Other Systems	0.00	
4899 Received from Commonwealth for COLA and Survivor Benefits	0.00	
4884 Realized Gain on Sale of Investments	0.00	
4894 Pension Fund Appropriation (Current Fiscal Year)	0.00	
4894 Pension Fund Appropriation (Previous Fiscal Year)	0.00	
4890 Contributions Received from Municipality on Account of Military Service	0.00	
4897 Federal Grant Reimbursement	0.00	
4895 Pension Reserve Appropriation	0.00	
Investments Sold But Funds Not Received (list individually)		
5751-2000 Health Insurance Opt-Out Reimb	15,666.67	12/31/2016
	0.00	
	0.00	
	0.00	
TOTAL RECEIVABLES	23,003.42	

Accounts Payable

5316 Actuarial Services	0.00	
5317 Accounting Services	0.00	
5320 Education and Training	0.00	
5757 Refunds to Members	0.00	
5756 Transfers to Other Systems	0.00	
5750 Annuities Paid	0.00	
5759 Option B Refund	0.00	
5751 Pensions Paid	0.00	
5755 3(8)(c) Reimbursements to Other Systems	0.00	
5752 COLAs Paid	0.00	
5753 Chapter 389 Beneficiary Increase Paid	0.00	
4885 Realized Loss on Sale of Investments	0.00	
4890 Return to Municipality for Members Who Withdrew Their Funds	0.00	
5118 Board Members' Stipend	0.00	
5119 Salaries	-7,222.30	12/31/2016
5304 Management Fees	-114,387.62	12/31/2016
5305 Custodial Fees	-8,454.43	12/31/2016
5307 Investment Consultant Fees	0.00	
5308 Legal Expenses	-3,478.00	12/31/2016
5309 Medical Expenses	0.00	
5310 Fiduciary Insurance	0.00	
5311 Service Contracts	0.00	
5312 Rent Expense	0.00	
5315 Professional Services Expense	0.00	
5589 Administrative Expenses	0.00	
5599 Furniture and Equipment	0.00	
5719 Travel	0.00	
Investments Purchased But Not Paid For (list individually)		
	0.00	
	0.00	
	0.00	
	0.00	
TOTAL PAYABLES	-133,542.35	

Schedule No. 1

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016

Cash Account Activity During Year

* Cash defined in ledger # 1040 as Savings or Checking

Description	(A) Book Value at Previous Year End	(B) Total Deposits This Year	(C) Income Reinvested / Redeposited into Account	(D) Withdrawals During Year	(E) = A+B+C-D Total Book Value on 12/31 This Year *	(F) Cash Income Paid to System Not Reinvested or Redeposited	(G) Interest Due and Accrued December 31st
CONGRESS ASSET MANAGEMENT (COMERICA)	874,054.18	7,439,373.50	2,326.23	7,876,456.88	439,297.03		230.97
CENTURY BANK (CB) ACCOUNTS:							
CB GENERAL # 05-689147	0.00	2,966,669.94	0.00	2,966,669.94	0.00		0.00
CB PENSION # 05-689155	0.00	25,672,187.69	0.00	25,672,187.69	0.00		0.00
CB MONEY MARKET (MM) # 66-513022	6,117,781.63	29,487,401.58	17,924.24	30,639,284.46	4,983,822.99		0.00
COMERICA							
CLASS ACTION SETTLEMENTS	0.00	0.00	0.00	0.00	0.00		0.00
SECURITIES LENDING	0.00	0.00	33,277.27	33,277.27	0.00		0.00
TOTALS:	6,991,835.81	65,565,632.71	53,527.74	67,187,876.24	5,423,120.02	0.00	230.97

Schedule No. 2

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016

Short Term Securities* Bought and Sold or Matured During the Year as well as Still Held on December 31st

* Short Term Securities defined in ledger # 1100 as US Treasury Bills, Commercial Paper, Repurchase Agreements, CD's, Term Deposits, Money Market, Cooperative Shares, Savings and Loan Shares

Description Including CUSIP or Account Number, Interest Rate, Maturity Date (List Alphabetically. Rolled over securities must be listed as sold and then repurchased.)	(A) Date Acquired	(B) Par Value	(C) Cost Including Commissions	(D) Amount Received at Maturity Less Commissions and Excluding Interest	(E) Market Value December 31st Current Year	(F) Interest Received During Year	(G) Due and Accrued Dec 31st
	-	-	-	-	-	-	-
TOTALS	-	-	-	-	-	-	-

Schedule No. 3A

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016

Domestic Fixed Income Securities Owned at End of Year
(Foreign Fixed Income Securities must be listed on Schedule 5)

Description Including Maturity Date and Interest Rate (List alphabetically.)	(A) CUSIP Number	(B) Cost or Market Value at End of Prior Year	(C) Unrealized Gain	(D) Unrealized Loss	(E) Market Value	(F) Interest Received During Year	(G) Interest Due and Accrued Dec 31st
CONGRESS ASSET MANAGEMENT (FIXED) *	**	-	-	0.00	-	5,862.41	2,606.94
TOTALS		-	-	0.00	-	5,862.41	2,606.94

FOOTNOTES TO SCHEDULE 3A:

* = Congress Asset Management carries legacy fixed income securities from Cypress Asset Management. Cypress terminated in April 2011.

** = See Comerica custodial reports.

Schedule No. 3B

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016

Domestic Fixed Income Securities Purchased During Year
(Foreign Fixed Income Securities must be listed on Schedule 5)

Description	(A)	(B)	(C)	(D)	(E)	(F)	(G)
Including Date of Maturity and Interest Rate (List alphabetically.)	CUSIP Number	Par Value	Date Acquired (Trade Date)	Name of Broker	Commissions Paid	Paid Accrued Interest	Cost Excluding Accrued Interest But Including Commissions

TOTALS

- - - - -

Schedule No. 3C

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016

Domestic Fixed Income Securities Sold During Year
(Foreign Fixed Income Securities must be listed on Schedule 5)

Description	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Including Date of Maturity and Interest Rate (List alphabetically.)	CUSIP Number	Par Value	Date Sold or Matured (Trade Date)	Name of Broker	Commissions	Market Value at End of Previous Year	Amount Received on Sale Less Commissions Excluding Accrued Interest	= G - F Realized Gain	= G - F Realized Loss	Interest Received During Year Including Interest Sold
CONGRESS ASSET MANAGEMENT (FIXED) *						-	-		0.00	
TOTALS						-	-			-

Schedule No. 4A

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016

Equities Owned at End of Year

Equities defined as stocks or options (Pooled Funds must be listed on Schedule 5).

Description	(A) CUSIP Number	(B) Number of Shares	(C) Rate per Share Used to Obtain Current Market Value	(D) Market Value at End of Previous Year	(E) Net Purchases and (Sales) at Book Value Current Year	(F) Market Value at End of Current Year	(G) = F - D - E Unrealized Gain	(H) = F - D - E Unrealized Loss	(I) Dividends Received During Year
Give Complete Description (List alphabetically.)									
CONGRESS ASSET MANAGEMENT	*	*	*	129,980,439.00	(6,822,498.49)	127,362,526.35	10,529,984.59	(6,325,398.85)	1,557,075.45
TOTALS	*	*	*	129,980,439.00	(6,822,498.49)	127,362,526.35	10,529,984.59	(6,325,398.85)	1,557,075.45

FOOTNOTES TO SCHEDULE 4A:

* = See Comerica custodial reports.

Schedule No. 4B

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016

Equities Purchased During Year

Equities defined as stocks or options (Pooled Funds must be listed on Schedule 5).

Description	(A) CUSIP Number	(B) Number of Shares	(C) Date Acquired (Trade Date)	(D) Name of Broker	(E) Commissions and Fees Paid	(F) Cost to System Including Fees and Commissions
CONGRESS ASSET MANAGEMENT	*	*	*	*	17,036.25	45,205,634.41
TOTALS	*	*	*	*	17,036.25	45,205,634.41

FOOTNOTES TO SCHEDULE 4B:

* = See Comerica custodial reports.

Schedule No. 4C

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016

Equities Sold During Year

Equities defined as stocks or options (Pooled Funds must be listed on Schedule 5).

Description	(A) CUSIP Number	(B) Number of Shares	(C) Name of Broker	(D) Date Sold	(E) Commissions Paid	(F) Proceeds from Sale	(G) Market Value at Prior Year-end or Current Year Cost	(H) = F - G Realized Gain	(I) = F - G Realized Loss	(J) Dividends Received During Year
CONGRESS ASSET MANAGEMENT	*	*	*	*	22,540.50	46,806,634.71	52,028,132.90	1,733,401.43	(6,954,899.62)	-
TOTALS	*	*	*	*	22,540.50	46,806,634.71	52,028,132.90	1,733,401.43	(6,954,899.62)	-

FOOTNOTES TO SCHEDULE 4C:

* = See Comerica custodial reports.

Schedule No. 5

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016

Schedule of Pooled Funds

This schedule is to be used for the PRIT Fund and Pooled Funds (e.g. Venture Capital, Real Estate, Mutual Funds and Commingled Funds).

PERAC Description: Leger Give Complete Description Number (List alphabetically.)	(A) Market Value at End of Previous Year	(B) Total Purchases This Year At Cost	(C) Reinvested Investment Income	(D) Realized Gain	(E) Realized Loss	(F) Unrealized Gain	(G) Unrealized Loss	(H) Total Sales Redemptions this Year - Amount Received	(I) Cash Dividends / Distributions to System this Year	(J) Fees Paid	(K) = A+B+C+D+E+F+G+H+I+J Market Value At End of Year
1174 LAZARD - EMERGING MARKETS	1,467,853.25	-	25,880.05	-	-	354,011.68	(62,285.97)	-	-	(16,467.23)	1,768,991.78
1173 LAZARD - INTERNATIONAL	10,647,027.67	-	106,841.82	-	-	262,950.54	(736,942.02)	-	-	(77,692.96)	10,202,185.05
1181 LOOMIS SAYLES FIXED INCOME FUND	62,292,042.22	-	2,250,190.56	-	-	6,569,736.27	(2,515,670.55)	(3,000,000.00)	-	(363,121.10)	65,233,177.40
1172 RHUMBLINE S&P 500 INDEX FUND	7,147,305.33	-	-	-	-	641,748.72	-	(2,000,015.00)	-	***	5,789,039.05
1172 RHUMBLINE S&P 600 INDEX FUND	-	4,000,000.00	-	-	-	985,656.98	-	-	-	***	4,985,656.98
1194 UBS TRUMBULL PROPERTY FUND	20,889,594.68	-	989,878.25	1,615.11	(553.83)	504,760.93	-	-	-	(241,002.15)	22,144,292.99
TOTAL ALL POOLED FUNDS	102,443,823.15	4,000,000.00	3,372,790.68	1,615.11	(553.83)	9,318,865.12	(3,314,898.54)	(5,000,015.00)	-	(698,283.44)	110,123,343.25

FOOTNOTES TO SCHEDULE 5:

*** = Management fees for Rhumblin Advisors S&P 500 and 600 fund were paid from the expense fund. In 2016, those fees totaled \$10,000.00.

Schedule No. 6

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016

Summary of Investments Owned

Category of Investment	Current Market Value	Interest Due and Accrued at End of Year	Paid Accrued Interest on Purchases in Current Year	Commissions Paid during Current Year	Unrealized		Realized		Investment Income Received During Year
					Gains	Losses	Gains	Losses	
1 1040 Cash	5,423,120.02	230.97	-	-	-	-	-	-	53,527.74
2 1100 Short Term Investments	-	-	-	-	-	-	-	-	-
3 1180 Fixed Income Securities	-	2,606.94	-	-	-	0.00	-	-	5,862.41
4 1170 Equities	127,362,526.35	-	-	39,576.75	10,529,984.59	(6,325,398.85)	1,733,401.43	(6,954,899.62)	1,557,075.45
5a 1101 Pooled Short Term Funds	-	-	-	-	-	-	-	-	-
5b 1172 Pooled Domestic Equity Funds	10,774,696.03	-	-	-	1,627,405.70	-	-	-	-
5c 1173 Pooled International Equity Funds	11,971,176.83	-	-	-	616,962.22	(799,227.99)	-	-	132,721.87
5d 1174 Pooled Global Equity Funds	-	-	-	-	-	-	-	-	-
5e 1181 Pooled Domestic Fixed Income Funds	65,233,177.40	-	-	-	6,569,736.27	(2,515,670.55)	-	-	2,250,190.56
5f 1182 Pooled International Fixed Income Funds	-	-	-	-	-	-	-	-	-
5g 1183 Pooled Global Fixed Income Funds	-	-	-	-	-	-	-	-	-
5h 1193 Pooled Alternative Investments	-	-	-	-	-	-	-	-	-
5i 1194 Pooled Real Estate Funds	22,144,292.99	-	-	-	504,760.93	-	1,615.11	(553.83)	989,878.25
5j 1195 Pooled Domestic Balanced Funds	-	-	-	-	-	-	-	-	-
5k 1196 Pooled International Balanced Funds	-	-	-	-	-	-	-	-	-
5l 1198 PRIT Cash	-	-	-	-	-	-	-	-	-
5m 1199 PRIT Fund	-	-	-	-	-	-	-	-	-
TOTALS	242,908,989.62	2,837.91	0.00	39,576.75	19,848,849.71	(9,640,297.39)	1,735,016.54	(6,955,453.45)	4,989,256.28

Schedule No. 7

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016

Summary of Investment Related Fees

Manager/Vendor-All Managers/Vendors Must Be Listed		Q1 2016	Q2 2016	Q3 2016	Q4 2016	Accrued Payable at Year End 2016	Total Paid or Accrued in 2016	Market Value as of 12/31/2016	* Payment Method (N,C,W)
5304 Management Fees									
1	Congress Asset Management Equity	112,638.34	110,251.32	112,467.19	-	111,887.62	447,244.47	127,362,526.35	N
2	Lazard Emerging Markets Equity	3,592.94	3,989.83	4,460.81	4,423.65	-	16,467.23	1,768,991.78	N
3	Lazard International Equity	18,844.45	19,731.72	20,019.75	19,097.04	-	77,692.96	10,202,185.05	N
4	Loomis Sayles Fixed	85,643.29	88,534.82	93,429.45	95,513.54	-	363,121.10	65,233,177.40	N
5	Rhumbline Advisors (S & P 500 and S & P 600)	2,500.00	2,500.00	2,500.00	-	2,500.00	10,000.00	10,774,696.03	C
6	UBS Trumbull Property	59,099.70	59,519.54	60,439.20	61,943.71	-	241,002.15	22,144,292.99	N
5304 Management Fees TOTAL		282,318.72	284,527.23	293,316.40	180,977.94	114,387.62	1,155,527.91	237,485,869.60	
7	Comerica Custody	8,806.92	8,492.35	8,606.32	-	8,454.43	34,360.02		N
5305 Custodial Fees TOTAL		8,806.92	8,492.35	8,606.32	-	8,454.43	34,360.02		
5307 Investment Consultant Fees TOTAL **		-	-	-	-	-	-		
		122,842.05 1,189,887.93							

FOOTNOTES TO SCHEDULE 7:

* N=Net C = Check W = Wire

** = The Somerville Retirement Board does not use an investment consultant.

APPENDIX PAGE 1

PLAN DESCRIPTION

The plan is a contributory defined benefit plan covering all SOMERVILLE Retirement System member unit employees deemed eligible by the retirement board, with the exception of school department employees who serve in a teaching capacity. The pensions of such school employees are administered by the Teachers' Retirement Board.

Instituted in 1945, the System is a member of the Massachusetts Contributory Retirement System and is governed by Chapter 32 of the Massachusetts General Laws. Membership in the plan is mandatory immediately upon the commencement of employment for all permanent, full-time employees.

The system provides for retirement allowance benefits up to a maximum of 80% of a member's highest three-year average annual rate of regular compensation. Benefit payments are based upon a member's age, length of creditable service, level of compensation, and group classification.

Members become vested after ten years of creditable service. A superannuation retirement allowance may be received upon the completion of twenty years of service, or upon reaching the age of 55 with ten years of service. Normal retirement for most employees occurs at age 65 (for certain hazardous duty and public safety positions, normal retirement is at age 55).

A retirement allowance consists of two parts: an annuity and a pension. A member's accumulated total deductions and a portion of the interest they generate constitute the annuity. The difference between the total retirement benefit and the annuity is the pension. The average retirement benefit is approximately 80 - 85% pension and 15 - 20% annuity.

Active members contribute either 5, 7, 8, or 9% of their gross regular compensation. Members joining the retirement system after January 1, 1979 must contribute an additional 2% on regular compensation earned at a rate in excess of \$30,000. The percentage rate is keyed to the date upon which an employee's membership commences. These deductions are deposited in the Annuity Savings Fund and earn interest at a rate determined by the Executive Director of PERAC according to statute. When a member's retirement becomes effective, his/her deductions and related interest are transferred to the Annuity Reserve Fund. Cost-of-living adjustments, and any other increase in benefits imposed by state law granted between 1981 and 1996, are borne by the state.

The pension portion of any retirement benefit is paid from the Pension Fund of the System. The governmental unit employing the member must annually appropriate and contribute the amount of current year pension payments as determined by PERAC's Actuary. In the past, retirement systems were paying only the actual retirement benefits that were due each year. Systems had no statutory authorization to put aside any money for the future benefits of employees who are now working. Large unfunded liabilities resulted from operating upon this pay-as-you-go basis. In 1977, legislation authorized local governments to appropriate funds to meet future pension obligations.

In 1983, additional legislation was passed requiring the transfer of investment earnings (in excess of the amount credited to member accounts) into the Pension Reserve Fund. These initiatives have significantly reduced the rate of growth of the retirement systems' unfunded liabilities and, in some systems, have actually reduced such liability.

Administrative expenses are funded through excess investment income.

Members who become permanently disabled for further duty may be eligible to receive a disability retirement allowance. The amount of benefits to be received in such cases is dependent upon several factors including: whether or not the disability is work related, the member's age, years of creditable service, level of compensation, veteran's status, and group classification.

Employees who resign from service and who are not eligible to receive a retirement allowance, or are under the age of 55, are entitled to request a refund of their accumulated total deductions. In addition, depending upon the number of years of creditable service, such employees are entitled to receive either zero (0%) percent, fifty (50%) percent, or one hundred (100%) percent of the regular interest that has accrued upon those deductions. Survivor benefits are extended to eligible beneficiaries of members whose death occurs prior to or following retirement.

APPENDIX PAGE 2

SIGNIFICANT ACCOUNTING POLICIES

The accounting records of the System are maintained on a calendar year basis in accordance with the standards and procedures established by the Executive Director of Public Employee Retirement Administration Commission. All investments are stated at market value at the end of the year.

The Annuity Savings Fund is the fund in which members' contributions are deposited. Active members contribute either 5, 7, 8, or 9% of their gross regular compensation. Voluntary contributions, redeposits, and transfers to and from other systems, are also accounted for in this fund. Members' contributions to the fund earn interest at a rate determined by PERAC. Interest for some members who withdraw with less than ten years of service is transferred to the Pension Reserve Fund. Upon retirement, a members' contributions and interest are transferred to the Annuity Reserve Fund. Dormant account balances must be transferred to the Pension Reserve Fund after a period of ten years of inactivity.

The Annuity Reserve Fund is the fund to which a member's account is transferred upon retirement from the Annuity Savings Fund and Special Military Service Credit Fund. The annuity portion of the retirement allowance is paid from this fund. Interest is credited monthly to this fund at the rate of 3% annually on the previous month's balance.

The Special Military Service Credit Fund contains contributions and interest for members while on a military leave for service in the Armed Forces who will receive creditable service for the period of that leave.

The Expense Fund contains amounts transferred from investment income or appropriated by the governmental units for the purposes of administering the retirement system.

The Pension Fund contains the amounts appropriated by the governmental units as established by PERAC to pay the pension portion of each retirement allowance.

The Pension Reserve Fund contains amounts appropriated by the governmental units for the purposes of funding future retirement benefits. Any profit or loss realized on the sale or maturity of any investment, or on the unrealized gain of a market valued investment as of the valuation date, is credited to the Pension Reserve Fund. Additionally, any investment income in excess of the amount required to credit interest to the Annuity Savings Fund, Annuity Reserve Fund, Expense Fund, and Special Military Service Credit Fund, is credited to this Reserve account.

The Investment Income Account is credited all income derived from invested funds. At the end of the year, the income credited to the Annuity Savings Fund, Annuity Reserve Fund, Expense Fund, and Special Military Service Credit Fund, is distributed from this account, and the remaining balance is transferred to the Pension Reserve Fund.

PERAC Annual Statement
APPENDIX PAGE 3
ACTUARIAL VALUATION AND ASSUMPTIONS

1/2017
Valuation current
in process

The most recent actuarial valuation of the System was prepared by Sherman Actuarial Services as of January 1, 2015.

The normal cost for employees on that date was:	\$5,799,541	8.7% of pay
The normal cost for the employer was:	2,208,213	3.3% of pay

The actuarial liability for active members was:	\$159,058,588
The actuarial liability for retired and inactive members was:	211,913,633
Total actuarial accrued liability:	370,972,221
System assets as of that date:	231,832,144
Unfunded actuarial accrued liability:	\$139,140,077

The ratio of system's assets to total actuarial liability was	62.5%
---	-------

The principal actuarial assumptions used in the valuation are as follows:

Investment Return:	8.25%
Rate of Salary Increase:	3.00%

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a percent of Covered Payroll (b-a)/c
01/01/15	\$231,832,144	\$370,972,221	\$139,140,077	62.5%	\$66,506,738	209.2%
01/01/13	193,697,367	335,458,757	141,761,390	57.7%	60,590,006	234.0%
01/01/11	188,324,959	311,654,245	123,329,286	60.4%	56,709,233	217.5%
01/01/08	183,769,256	280,399,899	96,630,643	65.5%	54,546,918	177.2%
01/01/04	145,850,905	246,797,910	100,947,005	59.1%	43,875,838	230.1%
01/01/01	134,378,449	204,557,523	70,179,074	65.7%	44,779,084	156.7%
01/01/98	103,343,920	168,736,337	65,392,417	61.2%	38,969,295	167.8%
01/01/95	67,754,043	127,119,756	59,365,713	53.3%	31,711,990	187.2%
01/01/92	58,351,419	115,469,624	57,118,205	50.5%	28,547,090	200.1%

Attach Copy of Current Approved Funding Schedule

Accounting Close Interest - 2016

Beginning Balance 3294: 20,475,528.30 Beginning Bal 3294 x.0025: 51,188.82

3294 Jan Adj:	989,503.88	5750 Jan Cash Disb:	-306,417.11	5759 Jan Cash Disb:	0.00	Jan Monthly Total:	21,158,615.07
3294 Feb Adj:	259,722.43	5750 Feb Cash Disb:	-308,720.66	5759 Feb Cash Disb:	0.00	Feb Monthly Total:	21,109,616.84
3294 Mar Adj:	0.00	5750 Mar Cash Disb:	-315,951.17	5759 Mar Cash Disb:	0.00	Mar Monthly Total:	20,793,665.67
3294 Apr Adj:	375,035.45	5750 Apr Cash Disb:	-316,849.25	5759 Apr Cash Disb:	0.00	Apr Monthly Total:	20,851,851.87
3294 May Adj:	423,638.16	5750 May Cash Disb:	-318,342.37	5759 May Cash Disb:	0.00	May Monthly Total:	20,957,147.66
3294 Jun Adj:	646,239.55	5750 Jun Cash Disb:	-325,650.23	5759 Jun Cash Disb:	0.00	Jun Monthly Total:	21,277,736.98
3294 Jul Adj:	-190.71	5750 Jul Cash Disb:	-326,333.68	5759 Jul Cash Disb:	0.00	Jul Monthly Total:	20,951,212.59
3294 Aug Adj:	91,136.64	5750 Aug Cash Disb:	-326,455.51	5759 Aug Cash Disb:	0.00	Aug Monthly Total:	20,715,893.72
3294 Sep Adj:	494,449.47	5750 Sep Cash Disb:	-333,471.95	5759 Sep Cash Disb:	0.00	Sep Monthly Total:	20,876,871.24
3294 Oct Adj:	175,645.03	5750 Oct Cash Disb:	-329,694.45	5759 Oct Cash Disb:	0.00	Oct Monthly Total:	20,722,821.82
3294 Nov Adj:	182,322.04	5750 Nov Cash Disb:	-337,770.54	5759 Nov Cash Disb:	0.00	Nov Monthly Total:	20,567,373.32
3294 Dec Adj:	-3,387,238.31	5750 Dec Cash Disb:	-330,024.10	5759 Dec Cash Disb:	0.00	Dec Monthly Total:	16,850,110.91

Jan Mthly Total x .0025: 52,896.54
Feb Mthly Total x .0025: 52,774.04
Mar Mthly Total x .0025: 51,984.16
Apr Mthly Total x .0025: 52,129.63
May Mthly Total x .0025: 52,392.87
Jun Mthly Total x .0025: 53,194.34
Jul Mthly Total x .0025: 52,378.03
Aug Mthly Total x .0025: 51,789.73
Sep Mthly Total x .0025: 52,192.18
Oct Mthly Total x .0025: 51,807.05
Nov Mthly Total x .0025: 51,418.43

Total x .0025 No Dec: 626,145.84
Mth Total + x .0025: 17,476,256.75
ASF 3293 Interest: 87,756.89
MSF 3295 Interest: 60.91
EXP 3298 Interest: 1,624,251.14
PRF Interest: 7,639,288.42

Supplementary Schedule 2016

Annual Statement of the Somerville Retirement Board for the Year Ended December 31, 2016

Members' Balances in the Annuity Savings Account

Member's Name	Previous Balance	Total Additions Current Year	Total Interest Current Year	Transfer In / Makeups	Refunds/X-Fer Out Reductions	Transfer to Annuity Reserve	Transfer to Pension Reserve Fund	Adjust Interest Credit	Balance Current Year
Jay Weaver *	70,012,926.19	6,616,208.85	87,756.89	944,044.92	(1,604,342.24)	(4,299,746.21)	(9,722.98)	0.00	71,747,125.42
	(151,975.77)					151,975.77			
	<u>69,860,950.42</u>	<u>Acct 4891</u>		<u>Acct's 4892</u>	<u>Acct's 5756</u>	<u>(4,147,770.44)</u>	<u>Acct 4822</u>		<u>71,747,125.42</u>
	<u>Acct 3293</u>			<u>4893</u>	<u>5757</u>	<u>Acct's 3293/3294</u>			<u>Acct 3293</u>
				<u>4900</u>					

* J. Weaver retired in 12/2014, revoked in early 2015 and then retired in 7/2015.
Transfer TO Annuity Reserve was recorded 2 times (2014 & 2015); reversed 2016.

Supplementary Schedule for 2016

EE Nbr	Name	SSN	Previous Balance	Curr Year Deductions	Current Year Interest	Makeups Xfers In	Refunds Xfers Out	Transfer To Ann Reserves	Transfer To Pension Fund	Transfer To Pen Res	Current Year Balance
289	Yin, Kelly	4238	38,449.67	9,097.91	38.45						47,586.03
855	Young, Margaret	1749	41,413.81	2,450.71	41.41						43,905.93
362	Zafropoulos, Ana	7502	805.01		0.81						805.82
2589	Zaino, A. Matthew	9787	5,786.35	5,249.08	5.79						11,041.22
135	Zambakis, Theofanis	5166	34,182.74	4,891.56	34.18						39,108.48
404	Zannerini, Robert	1114	983.43		0.98						984.41
1526	Ziegenfuss - Mayell, Kathleen	1794	7,889.37		7.89						7,897.26
2562	Ziemer, Lauren G.	7895	2,394.86	1,056.51	2.39						3,453.76
Member Count: 1,747			70,012,926.19	6,616,208.85	87,756.89	944,044.92	1,604,342.24	4,299,746.21	0.00	9,722.98	71,747,125.42

Trial Balance

For Period 01/01/2016 Through 12/31/2016

pre-close

03/27/2017 12:25:09

Page: 1

User: MPasquariello

Acct Nbr	Description	Beginning Balance	Debits	Credits	Ending Balance
1041-0000	Century Bank General	0.00	2,966,669.94	2,966,669.94	0.00
1042-0000	Century Bank Pension	0.00	25,672,187.69	25,672,187.69	0.00
1043-0000	Century Bank Money Market	6,117,781.63	29,505,325.82	30,639,284.46	4,983,822.99
1044-0000	Comerica Custody Cash	874,054.18	50,729,249.03	51,164,006.18	439,297.03
1170-0000	Congress Asset Management Equities	129,980,439.10	55,735,619.00	58,353,531.75	127,362,526.35
1171-0000	RhumbLine S&P 600 Small Cap Fund (Do NOT ..	0.00	4,985,656.98	4,985,656.98	0.00
1172-0000	Rhumbline S&P 500 Index Fund	7,147,305.33	514,115.65	1,872,381.93	5,789,039.05
1172-1000	RhumbLine S&P 600 Small Cap Fund	0.00	4,985,656.98	0.00	4,985,656.98
1173-0000	Lazard International Equity	10,647,027.68	304,730.93	749,573.55	10,202,185.06
1174-0000	Lazard Emerging Markets Equity	1,467,853.25	352,139.32	51,000.79	1,768,991.78
1176-0000	Lazard Emerging Markets Equity (no longer used)	0.00	0.00	0.00	0.00
1180-0000	Congress Asset Management Fixed Income	0.00	0.00	0.00	0.00
1181-0000	Loomis Sayles Fixed Income Fund	62,292,042.22	6,302,128.71	3,360,993.53	65,233,177.40
1182-0000	Congress Asset Management Equities (no longer..	0.00	0.00	0.00	0.00
1183-0000	Congress Asset Management Fixed (no longer u..	0.00	0.00	0.00	0.00
1194-0000	UBS Trumbull Property Fund	20,889,594.68	1,254,698.31	0.00	22,144,292.99
1195-0000	Loomis Sayles Fixed Income (no longer used)	0.00	0.00	0.00	0.00
1199-0000	Rhumbline S&P 500 Index Fund (no longer used)	0.00	0.00	0.00	0.00
1350-0000	Prepaid Expenses	0.00	0.00	0.00	0.00
1398-0000	Accounts Receivable	204,018.55	23,003.42	204,018.55	23,003.42
1550-0000	Interest/Dividends Due & Accrued	2,706.40	2,837.91	2,706.40	2,837.91
	Sub Total	239,622,823.02	183,334,019.69	180,022,011.75	242,934,830.96
2020-0000	Accounts Payable	-128,688.96	192,910.05	197,763.44	-133,542.35
	Sub Total	-128,688.96	192,910.05	197,763.44	-133,542.35
3293-0000	Annuity Savings Fund	-69,860,950.42	4,444,717.65	296,947.21	-65,713,179.98
3294-0000	Annuity Reserve Fund	-20,475,528.30	296,897.74	4,444,668.18	-24,623,298.74
3295-0000	Special Fund for Military Service Credit	-60,912.00	0.00	0.00	-60,912.00
3296-0000	Pension Fund	-1,427,956.42	0.00	6,601,980.00	-8,029,936.42
3297-0000	Pension Reserve Fund	-147,668,786.92	6,602,029.47	49.47	-141,066,806.92
3298-0000	Expense Fund	0.00	0.00	0.00	0.00
	Sub Total	-239,494,134.06	11,343,644.86	11,343,644.86	-239,494,134.06
4750-0000	Recovery of Annuity from Reinstatement	0.00	0.00	0.00	0.00
4751-0000	Recovery of Pension from Reinstatement	0.00	0.00	0.00	0.00
4820-0000	Investment Income - Control Account	0.00	2,706.40	2,837.91	-131.51
4821-0000	Investment Income Received	0.00	0.00	4,989,256.28	-4,989,256.28
4822-0000	Interest Not Refunded	0.00	0.00	9,722.98	-9,722.98
4823-0000	Paid Accrued Interest on Fixed Income Securities	0.00	0.00	0.00	0.00
4825-0000	Miscellaneous Income	0.00	0.00	147.25	-147.25
4840-0000	Workers' Comp Settlements	0.00	0.00	0.00	0.00
4841-0000	Recovery Of 91A Overearnings	0.00	0.00	0.00	0.00
4880-0000	Mil Ser Funds Ret To Municipality	0.00	0.00	0.00	0.00
4884-0000	Realized Gains	0.00	0.00	1,735,016.54	-1,735,016.54
4885-0000	Realized Losses	0.00	6,955,453.45	0.00	6,955,453.45
4886-0000	Unrealized Gains	0.00	0.00	19,848,849.71	-19,848,849.71
4887-0000	Unrealized Loss	0.00	9,640,297.39	0.00	9,640,297.39
4889-0000	Restitution/Redeposit Retirement Allowance Pr Yr	0.00	0.00	0.00	0.00
4890-0000	Contrib Rec'D For Military Serv	0.00	0.00	0.00	0.00
4891-0000	Members' Deductions	0.00	9,746.40	6,625,955.25	-6,616,208.85
4892-0000	Transfers From Other Systems	0.00	0.00	840,561.39	-840,561.39
4893-0000	Members' Make Up & Redeposits	0.00	0.00	70,168.13	-70,168.13
4894-0000	Pension Fund Appropriation	0.00	0.00	14,659,434.00	-14,659,434.00
4897-0000	Fed. Grant Reimb Recovery Costs	0.00	0.00	79,960.73	-79,960.73
4898-0000	3(8)(c) Reimb From Other Systems	0.00	0.00	481,299.61	-481,299.61
4899-0000	Received From Comm For Cola & Sur	0.00	0.00	342,671.30	-342,671.30
4900-0000	Member Payments From Rollovers	0.00	0.00	33,315.40	-33,315.40
	Sub Total	0.00	16,608,203.64	49,719,196.48	-33,110,992.84

Trial Balance

For Period 01/01/2016 Through 12/31/2016

Acct Nbr	Description	Beginning Balance	Debits	Credits	Ending Balance
5118-0000	Stipend Board Members	0.00	21,600.00	0.00	21,600.00
5119-0000	Staff Salaries	0.00	296,916.98	3,145.00	293,771.98
5304-0000	Management Fees	0.00	1,155,527.91	0.00	1,155,527.91
5305-0000	Custodial Fees	0.00	34,360.02	0.00	34,360.02
5308-0000	Legal Expenses	0.00	23,256.00	0.00	23,256.00
5309-0000	Medical Expenses	0.00	337.03	0.00	337.03
5310-0000	Fiduciary Insurance	0.00	17,102.00	0.00	17,102.00
5311-0000	Service Contracts	0.00	36,965.10	52.64	36,912.46
5315-0000	Professional Services	0.00	6,177.50	0.00	6,177.50
5316-0000	Actuarial Services	0.00	6,500.00	0.00	6,500.00
5317-0000	Accounting Services	0.00	0.00	0.00	0.00
5320-0000	Education & Training	0.00	3,516.95	0.00	3,516.95
5589-0000	Administrative Expenses	0.00	16,040.12	426.41	15,613.71
5599-0000	Furniture And Equipment	0.00	4,404.89	0.00	4,404.89
5719-0000	Travel & Lodging	0.00	5,170.69	0.00	5,170.69
5750-0000	Annuities Paid	0.00	3,897,506.81	21,825.79	3,875,681.02
5751-0000	Pensions Paid	0.00	18,659,846.83	28,856.26	18,630,990.57
5751-1000	Veteran Benefits	0.00	15,183.43	0.00	15,183.43
5751-2000	Health Ins Opt Out Indv/Fam	0.00	27,666.67	27,666.67	0.00
5751-3000	Restitution/Redeposit Retirement Allowance Pr Yr	0.00	0.00	4,474.07	-4,474.07
5752-0000	City & State COLA's Paid	0.00	3,067,564.20	0.00	3,067,564.20
5753-0000	Chapter 389 (Section 90 ACD) Paid	0.00	33,276.01	0.00	33,276.01
5754-0000	Section 90 ACD Paid (no longer used)	0.00	0.00	0.00	0.00
5755-0000	3(8)(c) Reimb To Other Systems	0.00	925,474.98	0.00	925,474.98
5756-0000	Transfers To Other Systems	0.00	968,997.18	0.00	968,997.18
5757-0000	Refunds To Members	0.00	645,164.66	96.62	645,068.04
5758-0000	Veteran Benefits (no longer used)	0.00	0.00	0.00	0.00
5759-0000	Option B Refunds	0.00	21,825.79	0.00	21,825.79
5760-0000	Health Ins Opt Out Indv/fam (no longer used)	0.00	0.00	0.00	0.00
Sub Total		0.00	29,890,381.75	86,543.46	29,803,838.29
Grand Total		0.00	241,369,159.99	241,369,159.99	0.00

Trial Balance

For Period 01/01/2016 Through 12/31/2016

Post
close

03/27/2017 02:51:06

Page: 1

User: MPasquariello

Acct Nbr	Description	Beginning Balance	Debits	Credits	Ending Balance
1041-0000	Century Bank General	0.00	2,966,669.94	2,966,669.94	0.00
1042-0000	Century Bank Pension	0.00	25,672,187.69	25,672,187.69	0.00
1043-0000	Century Bank Money Market	6,117,781.63	29,505,325.82	30,639,284.46	4,983,822.99
1044-0000	Comerica Custody Cash	874,054.18	50,729,249.03	51,164,006.18	439,297.03
1170-0000	Congress Asset Management Equities	129,980,439.10	55,735,619.00	58,353,531.75	127,362,526.35
1171-0000	RhumbLine S&P 600 Small Cap Fund (Do NOT ..	0.00	4,985,656.98	4,985,656.98	0.00
1172-0000	Rhumbline S&P 500 Index Fund	7,147,305.33	514,115.65	1,872,381.93	5,789,039.05
1172-1000	RhumbLine S&P 600 Small Cap Fund	0.00	4,985,656.98	0.00	4,985,656.98
1173-0000	Lazard International Equity	10,647,027.68	304,730.93	749,573.55	10,202,185.06
1174-0000	Lazard Emerging Markets Equity	1,467,853.25	352,139.32	51,000.79	1,768,991.78
1176-0000	Lazard Emerging Markets Equity (no longer used)	0.00	0.00	0.00	0.00
1180-0000	Congress Asset Management Fixed Income	0.00	0.00	0.00	0.00
1181-0000	Loomis Sayles Fixed Income Fund	62,292,042.22	6,302,128.71	3,360,993.53	65,233,177.40
1182-0000	Congress Asset Management Equities (no longer..	0.00	0.00	0.00	0.00
1183-0000	Congress Asset Management Fixed (no longer u..	0.00	0.00	0.00	0.00
1194-0000	UBS Trumbull Property Fund	20,889,594.68	1,254,698.31	0.00	22,144,292.99
1195-0000	Loomis Sayles Fixed Income (no longer used)	0.00	0.00	0.00	0.00
1199-0000	Rhumbline S&P 500 Index Fund (no longer used)	0.00	0.00	0.00	0.00
1350-0000	Prepaid Expenses	0.00	0.00	0.00	0.00
1398-0000	Accounts Receivable	204,018.55	23,003.42	204,018.55	23,003.42
1550-0000	Interest/Dividends Due & Accrued	2,706.40	2,837.91	2,706.40	2,837.91
	Sub Total	239,622,823.02	183,334,019.69	180,022,011.75	242,934,830.96
2020-0000	Accounts Payable	-128,688.96	192,910.05	197,763.44	-133,542.35
	Sub Total	-128,688.96	192,910.05	197,763.44	-133,542.35
3293-0000	Annuity Savings Fund	-69,860,950.42	6,058,782.87	7,944,957.87	-71,747,125.42
3294-0000	Annuity Reserve Fund	-20,475,528.30	4,194,404.55	5,070,814.02	-21,351,937.77
3295-0000	Special Fund for Military Service Credit	-60,912.00	0.00	60.91	-60,972.91
3296-0000	Pension Fund	-1,427,956.42	22,668,015.12	22,085,384.91	-845,326.21
3297-0000	Pension Reserve Fund	-147,668,786.92	6,602,029.47	7,729,168.85	-148,795,926.30
3298-0000	Expense Fund	0.00	1,624,251.14	1,624,251.14	0.00
	Sub Total	-239,494,134.06	41,147,483.15	44,454,637.70	-242,801,288.61
4750-0000	Recovery of Annuity from Reinstatement	0.00	0.00	0.00	0.00
4751-0000	Recovery of Pension from Reinstatement	0.00	0.00	0.00	0.00
4820-0000	Investment Income - Control Account	0.00	26,575,960.44	26,575,960.44	0.00
4821-0000	Investment Income Received	0.00	4,989,256.28	4,989,256.28	0.00
4822-0000	Interest Not Refunded	0.00	9,722.98	9,722.98	0.00
4823-0000	Paid Accrued Interest on Fixed Income Securities	0.00	0.00	0.00	0.00
4825-0000	Miscellaneous Income	0.00	147.25	147.25	0.00
4840-0000	Workers' Comp Settlements	0.00	0.00	0.00	0.00
4841-0000	Recovery Of 91A Overearnings	0.00	0.00	0.00	0.00
4880-0000	Mil Ser Funds Ret To Municipality	0.00	0.00	0.00	0.00
4884-0000	Realized Gains	0.00	1,735,016.54	1,735,016.54	0.00
4885-0000	Realized Losses	0.00	6,955,453.45	6,955,453.45	0.00
4886-0000	Unrealized Gains	0.00	19,848,849.71	19,848,849.71	0.00
4887-0000	Unrealized Loss	0.00	9,640,297.39	9,640,297.39	0.00
4889-0000	Restitution/Redeposit Retirement Allowance Pr Yr	0.00	0.00	0.00	0.00
4890-0000	Contrib Rec'D For Military Serv	0.00	0.00	0.00	0.00
4891-0000	Members' Deductions	0.00	6,625,955.25	6,625,955.25	0.00
4892-0000	Transfers From Other Systems	0.00	840,561.39	840,561.39	0.00
4893-0000	Members' Make Up & Redeposits	0.00	70,168.13	70,168.13	0.00
4894-0000	Pension Fund Appropriation	0.00	14,659,434.00	14,659,434.00	0.00
4897-0000	Fed. Grant Reimb Recovery Costs	0.00	79,960.73	79,960.73	0.00
4898-0000	3(8)(c) Reimb From Other Systems	0.00	481,299.61	481,299.61	0.00
4899-0000	Received From Comm For Cola & Sur	0.00	342,671.30	342,671.30	0.00
4900-0000	Member Payments From Rollovers	0.00	33,315.40	33,315.40	0.00
	Sub Total	0.00	92,888,069.85	92,888,069.85	0.00

Trial Balance

For Period 01/01/2016 Through 12/31/2016

Acct Nbr	Description	Beginning Balance	Debits	Credits	Ending Balance
5118-0000	Stipend Board Members	0.00	21,600.00	21,600.00	0.00
5119-0000	Staff Salaries	0.00	296,916.98	296,916.98	0.00
5304-0000	Management Fees	0.00	1,155,527.91	1,155,527.91	0.00
5305-0000	Custodial Fees	0.00	34,360.02	34,360.02	0.00
5308-0000	Legal Expenses	0.00	23,256.00	23,256.00	0.00
5309-0000	Medical Expenses	0.00	337.03	337.03	0.00
5310-0000	Fiduciary Insurance	0.00	17,102.00	17,102.00	0.00
5311-0000	Service Contracts	0.00	36,965.10	36,965.10	0.00
5315-0000	Professional Services	0.00	6,177.50	6,177.50	0.00
5316-0000	Actuarial Services	0.00	6,500.00	6,500.00	0.00
5317-0000	Accounting Services	0.00	0.00	0.00	0.00
5320-0000	Education & Training	0.00	3,516.95	3,516.95	0.00
5589-0000	Administrative Expenses	0.00	16,040.12	16,040.12	0.00
5599-0000	Furniture And Equipment	0.00	4,404.89	4,404.89	0.00
5719-0000	Travel & Lodging	0.00	5,170.69	5,170.69	0.00
5750-0000	Annuities Paid	0.00	3,897,506.81	3,897,506.81	0.00
5751-0000	Pensions Paid	0.00	18,659,846.83	18,659,846.83	0.00
5751-1000	Veteran Benefits	0.00	15,183.43	15,183.43	0.00
5751-2000	Health Ins Opt Out Indv/Fam	0.00	27,666.67	27,666.67	0.00
5751-3000	Restitution/Redeposit Retirement Allowance Pr Yr	0.00	0.00	0.00	0.00
5752-0000	City & State COLA's Paid	0.00	3,067,564.20	3,067,564.20	0.00
5753-0000	Chapter 389 (Section 90 ACD) Paid	0.00	33,276.01	33,276.01	0.00
5754-0000	Section 90 ACD Paid (no longer used)	0.00	0.00	0.00	0.00
5755-0000	3(8)(c) Reimb To Other Systems	0.00	925,474.98	925,474.98	0.00
5756-0000	Transfers To Other Systems	0.00	968,997.18	968,997.18	0.00
5757-0000	Refunds To Members	0.00	645,164.66	645,164.66	0.00
5758-0000	Veteran Benefits (no longer used)	0.00	0.00	0.00	0.00
5759-0000	Option B Refunds	0.00	21,825.79	21,825.79	0.00
5760-0000	Health Ins Opt Out Indv/fam (no longer used)	0.00	0.00	0.00	0.00
Sub Total		0.00	29,890,381.75	29,890,381.75	0.00
Grand Total		0.00	347,452,864.49	347,452,864.49	0.00